

2SSB 6667 - H AMD TO CEDT COMM AMD (H-5386.1)
By Representative Kenney

ADOPTED AND ENGROSSED 3/5/10

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that small businesses and entrepreneurs are a fundamental source of economic and community vitality for our state. They employ state residents, pay state taxes, purchase goods and services from local and regional companies, and contribute to our communities in many other ways. The legislature finds that small businesses and entrepreneurs need increased access to capital and technical assistance in order to maximize their potential. The legislature intends that the department of commerce and the small business development center each build upon their existing relevant statutory missions and authorities by collaborating on a specific plan to expand services to small businesses and entrepreneurs beginning in the 2011-2013 biennium.

Sec. 2. RCW 43.330.060 and 2005 c 136 s 13 are each amended to read as follows:

(1) The department shall (a) assist in expanding the state's role as an international center of trade, culture, and finance; (b) promote and market the state's products and services both nationally and internationally; (c) work in close cooperation with other private and public international trade efforts; (d) act as a centralized location for the assimilation and distribution of trade information; and (e) establish and operate foreign offices promoting overseas trade and commerce.

(2) The department shall identify and work with Washington businesses that can use local, state, and federal assistance to increase domestic and foreign exports of goods and services.

(3) The department shall work generally with small businesses and other employers to facilitate resolution of siting, regulatory,

1 expansion, and retention problems. This assistance shall include but
2 not be limited to assisting in workforce training and infrastructure
3 needs, identifying and locating suitable business sites, and resolving
4 problems with government licensing and regulatory requirements. The
5 department shall identify gaps in needed services and develop steps to
6 address them including private sector support and purchase of these
7 services.

8 (4) The department shall work to increase the availability of
9 capital to small businesses by developing new and flexible investment
10 tools; by assisting in targeting and improving the efficiency of
11 existing investment mechanisms; and by assisting in the procurement of
12 managerial and technical assistance necessary to attract potential
13 investors.

14 (5) The department shall assist women and minority-owned businesses
15 in overcoming barriers to entrepreneurial success. The department
16 shall contract with public and private agencies, institutions, and
17 organizations to conduct entrepreneurial training courses for minority
18 and women-owned businesses. The instruction shall be intensive,
19 practical training courses in financing, marketing, managing,
20 accounting, and recordkeeping for a small business, with an emphasis on
21 federal, state, local, or private programs available to assist small
22 businesses. Instruction shall be offered in major population centers
23 throughout the state at times and locations that are convenient for
24 minority and women small business owners.

25 (6)(a) Subject to the availability of amounts appropriated for this
26 specific purpose, by December 1, 2010, the department, in conjunction
27 with the small business development center, must prepare and present to
28 the governor and appropriate legislative committees a specific,
29 actionable plan to increase access to capital and technical assistance
30 to small businesses and entrepreneurs beginning with the 2011-2013
31 biennium. In developing the plan, the department and the center may
32 consult with the Washington state microenterprise association, and with
33 other government, nonprofit, and private organizations as necessary.
34 The plan must identify:

35 (i) Existing sources of capital and technical assistance for small
36 businesses and entrepreneurs;

37 (ii) Critical gaps and barriers to availability of capital and
38 delivery of technical assistance to small businesses and entrepreneurs;

1 (iii) Workable solutions to filling the gaps and removing barriers
2 identified in (a)(ii) of this subsection; and

3 (iv) The financial resources and statutory changes necessary to put
4 the plan into effect beginning with the 2011-2013 biennium.

5 (b) With respect to increasing access to capital, the plan must
6 identify specific, feasible sources of capital and practical mechanisms
7 for expanding access to it.

8 (c) The department and the center must include, within the analysis
9 and recommendations in (a) of this subsection, any specific gaps,
10 barriers, and solutions related to rural and low-income communities and
11 small manufacturers interested in exporting.

12 **Sec. 3.** RCW 28B.30.530 and 2009 c 486 s 1 are each amended to read
13 as follows:

14 (1) The board of regents of Washington State University shall
15 establish the Washington State University small business development
16 center.

17 (2) The center shall provide management and technical assistance
18 including but not limited to training, counseling, and research
19 services to small businesses throughout the state. The center shall
20 work with the department of (~~community, — trade, — and — economic~~
21 ~~development~~) commerce, the state board for community and technical
22 colleges, the higher education coordinating board, the workforce
23 training and education coordinating board, the employment security
24 department, the Washington state economic development commission,
25 associate development organizations, and workforce development councils
26 to:

27 (a) Integrate small business development centers with other state
28 and local economic development and workforce development programs;

29 (b) Target the centers' services to small businesses;

30 (c) Tailor outreach and services at each center to the needs and
31 demographics of entrepreneurs and small businesses located within the
32 service area;

33 (d) Establish and expand small business development center
34 satellite offices when financially feasible; and

35 (e) Coordinate delivery of services to avoid duplication.

36 (3) The administrator of the center may contract with other public
37 or private entities for the provision of specialized services.

1 (4) The small business development center may accept and disburse
2 federal grants or federal matching funds or other funds or donations
3 from any source when made, granted, or donated to carry out the
4 center's purposes. When drawing on funds from the business assistance
5 account created in RCW (~~(30.60.010)~~) 28B.30.531, the center must first
6 use the funds to make increased management and technical assistance
7 available to existing small businesses and start-up businesses at
8 satellite offices. The funds may also be used to develop and expand
9 assistance programs such as small business planning workshops and small
10 business counseling.

11 ~~(5) ((The legislature directs the small business development center~~
12 ~~to request United States small business administration approval of a~~
13 ~~special emphasis initiative, as permitted under 13 C.F.R. 130.340(c) as~~
14 ~~of April 1, 2009, to target assistance to Washington state's smaller~~
15 ~~businesses. This initiative would be negotiated and included in the~~
16 ~~first cooperative agreement application process that occurs after July~~
17 ~~26, 2009.~~

18 ~~(6))~~ By ~~((December 1, 2009, and))~~ December 1, 2010,
19 ~~((respectively,))~~ the center shall provide a written progress report
20 and a final report to the appropriate committees of the legislature
21 with respect to the requirements in subsection~~((s))~~ (2) ~~((and (5)))~~ of
22 this section and the amount and use of funding received through the
23 business assistance account. The reports must also include data on the
24 number, location, staffing, and budget levels of satellite offices;
25 affiliations with community colleges, associate development
26 organizations or other local organizations; the number, size, and type
27 of small businesses assisted; and the types of services provided. The
28 reports must also include information on the outcomes achieved, such as
29 jobs created or retained, private capital invested, and return on the
30 investment of state and federal dollars.

31 (6)(a) Subject to the availability of amounts appropriated for this
32 specific purpose, by December 1, 2010, the center, in conjunction with
33 the department of commerce, must prepare and present to the governor
34 and appropriate legislative committees a specific, actionable plan to
35 increase access to capital and technical assistance to small businesses
36 and entrepreneurs beginning with the 2011-2013 biennium. In developing
37 the plan, the center and the department may consult with the Washington

1 state __ microenterprise __ association, __ and __ with __ other __ government,
2 nonprofit, __ and __ private __ organizations __ as __ necessary. The plan must
3 identify:

4 (i) Existing sources of capital and technical assistance for small
5 businesses and entrepreneurs;

6 (ii) Critical gaps and barriers to availability of capital and
7 delivery of technical assistance to small businesses and entrepreneurs;

8 (iii) Workable solutions to filling the gaps and removing barriers
9 identified in (a)(ii) of this subsection; and

10 (iv) The financial resources and statutory changes necessary to put
11 the plan into effect beginning with the 2011-2013 biennium.

12 (b) With respect to increasing access to capital, the plan must
13 identify specific, feasible sources of capital and practical mechanisms
14 for expanding access to it.

15 (c) The center and the department must include, within the analysis
16 and recommendations in (a) of this subsection, any specific gaps,
17 barriers, and solutions related to rural and low-income communities and
18 small manufacturers interested in exporting."

19 Correct the title.

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